

2015 – 2016 BUDGET ADVISORY COUNCIL
Monthly Meeting #2 – March 16, 2016
Education Center, Room 101
7:30 PM - 9:30 PM

1. Introductions
2. Review and approve March 9th meeting minutes (if available)
3. Public Comments
4. INFORMATION ITEMS
 - A. Reports from Liaisons to BAC (FAC; CCPTA, CivFed; ACI)
 - B. CIP Update (5 minutes)
5. ACTION ITEM
 - A. BAC Discussion of Superintendent's Proposed FY2017 Budget and Drafting Comments/Recommendations for School Board, Part 2, including:
 - 1) Remaining issues from March 9th (including Arlington Tech)
 - 2) Administrative Services budget (pp. 305-306)
 - 3) Financial & Management (pp. 328-334)
 - 4) Facilities & Operations (pp. 335-349)
 - 5) Information Services (pp. 350-362)
 - 6) Other Funds (starting on p. 363)
 - B. Decision on June BAC Meeting: June 8th or June 15th

Upcoming events

March 17	Public Hearing on School Budget (Superintendent's proposed)
March 30	Community Forum #4 on CIP FY2017-2016 – Washington-Lee HS
April 7	School Board's Proposed Budget FY 2017
April 12	School Board Budget Work Session #5 – <i>if needed</i>
April 21	Public Hearing on School Board's Proposed Budget
May 5	School Board Adopts FY 2017 Budget
June 16	School Board Adopts CIP FY 2017-2016

Upcoming BAC meeting dates are:

April 13, 2016

May 11, 2016

June 8 or 15, 2016

** All BAC regular meetings are on Wednesdays. All meet at the Education Center in room 101.

Minutes
Arlington Public Schools - Budget Advisory Council
March 16, 2016 Meeting

Attending: Michael Shea (chair), Matt de Ferranti (co-chair), Kathryn Ricard, Moira Forbes, Heather Jones, Daniel Rosman, Ainsley Stapleton, Lida Anestidou; APS staff Deirdra McLaughlin and Leslie Peterson; School Board liaison Nancy Van Doren.

The meeting began at 7:35 with introductions and approval of the February 2016 minutes, as amended.

(1) Discussion of the February 24, 2016 CIP meeting (<http://www.apsva.us/moreseats>; <http://www.apsva.us/cms/lib2/VA01000586/Centricity/Domain/110/CIP%20Community%20Stakeholder%20Meeting3.pdf>) Deirdra reported that the presentation focused on Facilities and Operations as three projects would be completed by FY2019 (Stratford; Wilson; new elementary school at Jefferson site). The financial picture is improved since the last CIP but a large debt service still weighs on the budget. A cost range of \$130-150M serves as an estimated cost for a possible fourth comprehensive high school (2200 seats). The next CIP work session is in May and the plan will be adopted in June.

(2) Budget Working Session #4 (Michael, Matt, and the ACI co-chairs attended; Michael provided a handout and email to BAC-attached at the end of the minutes). The handout includes (a) information on the new enrollment projections and staffing, pages 2 & 3; (b) a table from APS staff on compensation options for FY 2017, page 4; (c) proposed uses of one-time funds; (d) proposed additions and reductions to the proposed budget, page 5.

Heather inquired how the enrollment projections and needs are linked to teacher hiring and Leslie explained that while decisions are based on enrollment projections and planning factors, there are contingency funds in the budget to make sure that staffing needs can be met.

(3) Compensation study. The BAC needs to look into this issue, (page 4 of the handout; also here: <http://apsva.us/cms/lib2/VA01000586/Centricity/Domain/4795/15-16%20Final%20Pay%20Plan%201-6-15.pdf>). Nancy explained that the options on page 4 of the handout have evolved over time as the School Board is considering COLA and STEP and the need to stay on par with the County's actions for their employees (*e.g.*, County Government base wage is becoming \$14.50/hour, higher than APS). The County's actions are a result of a commissioned study and were implemented over many years. Information on compensation can be found here: [https://www.boarddocs.com/vsba/arlington/Board.nsf/files/A7W4V2721633/\\$file/FY%202017%20Budget%20Work%20Session%20%233%20Materials.pdf](https://www.boarddocs.com/vsba/arlington/Board.nsf/files/A7W4V2721633/$file/FY%202017%20Budget%20Work%20Session%20%233%20Materials.pdf)

(4) Arlington Tech, page 42 of the proposed budget (\$750,950 for FY 2017). Several attendees (Michael, Lida, Nancy) explained a number of issues related to the Arlington Tech program, such as the lottery process and the cohort. While there is no clear vision articulated at this time, a lot will depend on the first cohort of 45 kids and how well they will do. Kathryn commented

that more transparency about the process, the goals and the projected costs of the program would be needed especially for the future years as the costs are projected to increase and no study was commissioned for the program. Nancy discussed the link of the program to the Governor's STEM academies initiative (http://www.doe.virginia.gov/instruction/career_technical/gov_academies/stem_academies_map.pdf). Moira mentioned the dual enrollment aspect, which is quite prominent within ACC generally and will be even more so in the Academy. Nancy provided an approximate breakdown of the enrolled students: Kenmore 8; Williamsburg 9; Gunston 13; Swanson 11; TJ 6 plus 3 outstanding. In terms of gender there will be 8 girls and 37 boys enrolled.

Recommendation: BAC supports the Arlington Tech Academy funding for FY2017 but would like to see a plan of the growth, projections and operating costs of this program as it moves forward, including the incremental costs the program would accrue over the next 5 years.

(5) Staff Development, page 306 of the proposed budget (\$125,000 for FY 2017)

Recommendation: The BAC supports staff development, but a short document to explain the need for and strategy for the categories of professional development is needed. Nancy informed the group that there would be a presentation on professional development to the School Board in the near future.

(6) Finance and Management Services, page 329 of the proposed budget

6.1 APS is planning to convert hourly bus drivers to contracted positions with benefits to avoid turnover, page 335

6.2 HVAC maintenance page 345.

Recommendation: The BAC suggests monitoring the outcomes of the two different ways that HVAC maintenance will be done by APS employees and by contractors. As more buildings are constructed it may be financially more expedient to incorporate some of these positions within APS.

(7) Ideas of the SB members, page 5 of the handout

Recommendation: The BAC is not in favor of removing MC/MM from the budget in order to "save" \$3M as the gap would have to be covered by using one-time funds.

(8) Michael will circulate a draft of the BAC recommendations to be submitted to the School Board by March 21.

(9) The June meeting will take place on June 8.

The meeting adjourned at 9:30 pm.

ATTACHMENTS

March 21, 2016

To: Dr. Emma Violand-Sanchez, Arlington School Board Chair

From: Michael Shea, Budget Advisory Council Chair

Re: BAC Review of Superintendent's Proposed Budget for FY 2017

Dr. Violand-Sanchez:

At our BAC meeting on March 16th, we deliberated and drafted additional recommendations on the Superintendent's Proposed Budget for FY 2017. Our recommendations in this report are in addition to the comments presented at the March 15th School Board Work Session.

The BAC supports the proposed FY 2017 funding for the new Arlington Tech program.

The Career Center classes are highly beneficial to many APS students and a larger high school program on the Career Center site offers a partial solution to the need for more seats. The BAC does, however, recommend that the School Board carefully gauge the best level of enrollment for this new program and only move to the planned 800 student program if the number of annual applicants supports that number. In addition, while the first year of the program does not represent a significant added investment from the operating budget, the out years do imply a large commitment. The School Board should be able to review detailed planning for a multi-year period at Arlington Tech when it deliberates on the second year funding.

The BAC recommends that the School Board request a description of the several initiatives and programs related to professional development and employee training within APS. In our review of the Proposed Budget for FY 2017, we have noted multiple additions to the budget under various programs but we lack the context to understand how different programs relate to each other. A short "Guide to Employee Training at APS" would be a report outside the budget, but if updated annually it would facilitate an understanding of how new budget investments in this area support strategic goals. The "Guide" would have program descriptions, objectives, and service delivery models.

The BAC opposes using one-time funds of any amount *in lieu* of the \$6 million from ongoing funds in the Proposed Budget for Minor Capital/Major Maintenance (MC/MM).

Adequately funding MC/MM is a prudent budget and management practice. With growing enrolment, APS is particularly pressured to ensure that facilities are well maintained. One-time funds should not be used for ongoing needs such as maintenance. Displacing parts of the base budget with one-time funds generates both an appearance of budgetary tricks and the reality of needing a base budget increase a year later.

The BAC commends APS for steps in recent years to deliberate program changes earlier in the budget cycle. For example, the ACI recommendation calendar was shifted forward to better vet program additions that could later appear in the Proposed Budget. With that in mind, it would be disappointing if new budget investments were added to the budget late in the game, without having been worked through any of the usual deliberate processes. What blooms in the Spring of a budget cycle should have strong roots in a Fall of planting.

The Budget Advisory Council eagerly awaits seeing the School Board's Proposed Budget for FY 2017 and will be reviewing it and drafting recommendations at our April 13th BAC meeting.

School Board BUDGET work session #4 - March 15th

Michael Shea <policyinnovationva@gmail.com>

Wed, Mar 16, 2016 at 12:26 AM

To: Ainsley Stapleton <astapes@gmail.com>, "Daniel.rosman@etrade.com" <Daniel.rosman@etrade.com>, "deferrantim@gmail.com" <deferrantim@gmail.com>, "dmurray@arlingtonva.us" <dmurray@arlingtonva.us>, Grant Miller <tkuklenski@mac.com>, "heatherjones.mikelee@gmail.com" <heatherjones.mikelee@gmail.com>, "kathrynicard@verizon.net" <kathrynicard@verizon.net>, "l.anestidou@me.com" <l.anestidou@me.com>, Linda Hearne <hearne.linda.j@gmail.com>, "Michaelbruce21@verizon.net" <michaelbruce21@verizon.net>, Moira Forbes <Moira_forbes@yahoo.com>, "Ramsey, Robert W III CIV OSD OUSD ATL (US)" <robert.w.ramsey2.civ@mail.mil>, Rory's Parents <rorysparents@aol.com>

Cc: "louisam@yahoo.com" <louisam@yahoo.com>, Ted Black <dstblack@msn.com>, Kelly King <kmkingmail@yahoo.com>, "Mason, Miles S." <miles.mason@pillsburylaw.com>

Tonight was Budget Work Session #4 over at the Education Center (in our regular meeting room, not the "formal" School Board room).

Matt de Ferranti and I were there for BAC; Louisa Marinaccio and Ted Black were there for ACI; Kelly King and Miles Mason submitted a statement from the FAC. We had a good discussion with all five Board members.

I then had to leave -- the Fiscal Affairs Advisory Commission (FAAC) was meeting at the same time and we were reviewing the Departments of Human Services and of Community, Planning, and Housing Development. The County Manager's proposed budget for FY 2017 does not add a planner position for CPHD to focus on coordinating with APS; CPHD has proposed one. We on FAAC were going to vote on a recommendation to support that new position tonight. I made sure to get to FAAC to not miss that vote and vote in favor of it. And then we decided to put off the vote until March 30th.

BACK to Work Session #4. Agenda and four pages handed out are attached to this email.

Matt was able to stay longer and participate in more of the discussion.

Note that the session covered - and some of the materials handed out elaborate on:

1. The new enrollment projections done each Spring. See the table in the handout on page 2.
2. A preliminary look at how the Spring enrollment projections are changing the projected staffing in the 2-3 weeks since the Proposed Budget was released. (page 3 of handout)
3. A table from APS staff on compensation options for the FY 2017 budget. (page 4)
4. Proposed uses of one-time funds
5. Decision points - the table of proposed adds, and proposed reductions (page 5) to the Proposed Budget.

Lots to discuss by us. Be sure to read attachment.

BACK to the Principal Planner position proposed to be added to CPHD on the County side --

Last year, FAAC voted 8-3 to recommend that the County Board add two new FTEs (planners) to the County Manager's budget to ease workload. We did not specifically say added FTEs would focus on coordination with APS, but were motivated by the increased demands on planning division at CPHD, both by non-school and school capital projects.

Background to the idea that CPHD should add a planner position to focus on coordination with APS

During the Community Facilities Study process, the County Board directed CPHD to have three planners provide professional support to that study. Not 100% assigned, but they devoted time and it was seen as very useful. The proposal that CPHD are making for an FTE to be a planner to coordinate with APS is a recognition that professional support from the County is beneficial.

Drivers behind the proposed new planner position

- (1) Need for better County/APS coordination
- (2) Increased complexity of sites and facilities designs by APS (I think of it as a case where if there were relatively non-complex

sites for facilities in Arlington, they'd already have a facility on them.)

(3) Increased number of projects happening simultaneously on APS side - while workload demands for non-APS projects remains at a strong pace.

Alternatives?

Partly, yes. Some of the goals of a new planner position will be partly met by doing things like reforming the way PFRC and BLPC work -- and people on both APS and County side are already having that thought and moving forward on it. And the CPHD team of Urban Research & Design professionals can help unpack the complexity of the sites and facilities. But they are already doing that and are fully engaged in a variety of functions

What does not seem like an alternative would be to add an FTE for planning on the APS side. There are probably reasons to add a planner for APS simply because of APS workload -- but given the work flow of a facility design in Arlington, getting to better coordination between APS and County needs someone from the County side to navigate the project through CPHD.

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